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BRITISH LABOR UNDER WAR PRESSURE

BY SIDNEY WEBB, LL.B.

NOR the least interesting and instructive chapter in the history of the great war, when it comes to be written in the cool reflection of a subsequent generation, will be the effect of an unparalleled national struggle upon the labor movement. The war has not yet run its course, and even when peace comes there will be still to be endured the gigantic reverse dislocation of industry from war purposes to peace purposes. Not for many years shall we be able adequately to estimate the changes which these years of strain will have made in the ideals and in the organization, in the position, and in the activities of the labor movement of the world. In Great Britain, however, we can provisionally take stock, after thirty-two months of war, of the results so far upon our own wage-earning class and our own labor movement. We have first to notice the extent to which the British labor movement has, almost whole-heartedly, supported the war. From the very hour of the declaration of war every trade union, without a single exception, has shown its devotion to the cause of the nation. Every conference of trade unions without exception has made the same declaration. Dissentients there have, of course, been, but these have nearly always objected to this or that particular proposal or action of the Government rather than to the resolute waging of the war. After almost three years of a war of unprecedented intensity, cost, and suffering the genuinely "pacifist" element among the British wage-earning class is still infinitesimally small. It is voiced not so much by trade union leaders or manual workers themselves as by middle-class members of the two socialist societies called, respectively, the Independent Labor Party and the British Socialist Party. It should be noted that the two other Socialist organizations of importance, the

Fabian Society and the National Socialist Party, do not share these views, nor does the Labor Party itself (the great national federation). By their ability, their manifest earnestness, and their persistence the few opponents of war secure a quite disproportionate amount of attention in the press, but they have not succeeded in obtaining more than a relatively small minority of votes either at any Trade Union Congress or at the combined Conferences of Trade Unions and Socialist Societies called by the Labor Party.

The whole-heartedness and loyalty with which the British trade unions (which have over four million members and accumulated funds exceeding six million pounds sterling) have supported the war has been made manifest, first, by their devoted assistance in the voluntary recruiting for the army, and, secondly, by their abandonment for the sake of increasing the output of munitions, etc., of all trade union rules and practices that could be thought to hamper the production of munitions of war.

The voluntary recruiting was extraordinary and unparalleled. For its army and navy, as is well known, the British Empire had, down to 1916, relied exclusively on free and optional enlistment. Within the first two years of the war more than five million men had freely and voluntarily offered themselves for service in the army or navy—more than ten per cent. of the census population—a vastly larger force than had ever been raised without compulsion in any country at any time. Nearly four-fifths of these millions were manual working wage-earners, and an enormous proportion of them—notably among the miners and railway workers—active trade unionists. So great was the rush to enlist that the Government had the greatest difficulty in retaining enough men in indispensable industries, and it was eventually found necessary not only to prohibit enlistment in various trades, but actually to return thousands of men from the front (especially in the engineering trades), in order that they might resume their civilian occupations, from which they could not be spared. The world has never seen such a voluntary recruiting, and this was very largely promoted and organized by the trade union leaders through their own organizations. Compulsion was adopted only after more than five millions had voluntarily come forward, and it was then adopted very largely to satisfy a popular demand for complete equality and a military desire for certainty as to

the numbers still to be trained rather than with any belief in the magnitude of the additional numbers to be thereby added to the army. After five millions of volunteers the number of physically fit men of military age left in Great Britain, who were not occupied in indispensable work, was necessarily comparatively trifling. The total number of "conscientious objectors" (Quakers and others) proved to be under five thousand, comparatively few of them belonging to the manual working class, and most of these consented to render "alternative service" under Government direction.

When it became evident that an enormously increased output of munitions of war was required the trade unions were asked by the Government to give up, for the duration of the war, all their rules and customs in any way interfering with maximum production. Without a single exception the trade unions agreed to this request. They formally laid aside all restriction of output; all limitation of the working day; all refusal to work overtime, at night, or on Sunday; all objection to the introduction of labor-saving machinery; all resistance to the admission to their trades of non-unionists, unapprenticed men, laborers, boys, and even women; all opposition to the substitution of piece-work payments for hourly rates, and all reluctance to co-operate in teams at component parts instead of each workman completing his own task. They gave up the right to strike and submitted to compulsory arbitration. They even accepted in the Munitions of War Acts of 1915 and 1916, in order to secure continuity of production, the position of being forbidden to leave their employment under a heavy penalty. Never has there been, in any community, a greater or a more complete sacrifice for the common good. The result has been that—at the cost of greatly increased hours of labor and greatly increased strain and effort of the manual workers—the output per operative has, throughout the whole kingdom, by means of a great increase of machinery, been enormously increased. By this sacrifice on the part of the British labor movement British manufacturing industry has been, in these two years of war, very largely revolutionized—more completely changed, in fact, than at any time since the great industrial revolution of 1780-1825.

Having noted the patriotic efforts of the British labor movement, we have now to record the results of the war on the economic position of the wage-earning class. This war

has, at almost all points, baffled the prophets; and in no department have the results been more unexpected than in the economic field. Thus, all previous wars of magnitude have been accompanied by terrible financial suffering among the mass of the people. One of their most frequent results—a social injury enduring for a whole generation—has been the degradation of the standard of life among the wage-earners. The last war waged by the United Kingdom on anything like the scale of the present Armageddon—the Napoleonic conflict that lasted almost unceasingly from 1793 to 1815—reduced the British working-class to a very general destitution, exhausted popular savings, filled the prisons, put ten per cent. of the whole population on the pauper roll, brought down wages to the barest subsistence level, and destroyed for many years every vestige of either industrial or political power among the wage-earning class. On the outbreak of the present war many people naturally expected widespread unemployment and distress among practically all the poorer classes. The trade unions, it was said, would soon be bankrupt and powerless. The political influence of organized labor, it was predicted, would be swept aside as completely as its industrial strength. The great Co-operative Movement, with its network of distributive stores and growing manufacturing departments would, it was supposed, suffer at least an arrest of development, and might have its resources seriously impaired. The Friendly Societies, entangled in the gigantic scheme of National Insurance, would, it was feared, find their accumulated funds drained dry. In short, many people looked, on the outbreak of war, for ruin and misery among the mass of the working people. Certainly, no one would have predicted that, after a war of such magnitude and intensity had been waged for over two and one-half years, the wage-earning population of the United Kingdom would find itself, as a whole, actually better off financially than it was in the years of prosperity that immediately preceded the war. Yet (subject to many unfortunate exceptions) this is today undoubtedly the fact.

In spite of a rise of prices of foodstuffs now approaching one hundred per cent.; in spite of an average increase in the total cost of living of the typical wage-earning family which may be put at sixty to seventy per cent.; in spite of the levy of new taxation on the wage-earning class to the extent, it is estimated, of at least fifty millions sterling per

annum (in the increase of beer, sugar, tea and cocoa taxes; in the raising of railway fares and postage; and in lowering the level of exemption of the greatly augmented income tax)—there is every sign of the British manual working-class, taken as a whole, being considerably better off in 1917 than in 1913. Money wages have risen, practically everywhere, in one form or other, sometimes only by ten or twenty per cent., but in exceptional instances (such as the steel-smelters), by sixty or eighty per cent. It is true that the rates of wages have never (or hardly ever) risen to the same extent as the prices of commodities, or the cost of living. But, with relatively few exceptions, the average family income has increased more than the rate of wages. More members of the household are, in most families, earning money—there are no unemployed men, and no intervals in which no wages are earned; the girls are at work as well as the boys, the superannuated and the invalids; in hundreds of thousands of cases the wives as well as the spinsters and widows. Moreover, piece-work earnings have been widely substituted for fixed weekly wages; there has been a free advancement of laborers and of women from unskilled to skilled rates; the working hours have often been lengthened, bringing increased earnings; and overtime and Sunday duty have been freely adopted up to the very verge of excessive strain. The loss of family income consequent on the absorption of five million men into the army and navy has been made good by the payment from public funds of separation allowances and pensions on a scale of quite unprecedented liberality. The disabled soldiers, in particular, of whom already many tens of thousands have been discharged, are being provided for in ways unknown in any previous campaign.

The total result is that, whilst a considerable number of cases of individual suffering exist, taking the wage-earning population of the United Kingdom as a whole, far from feeling the strain of war, it exhibits today every indication of unparalleled prosperity. Thus, the number of persons simultaneously in receipt of Poor Law relief has fallen from nearly a million (in the whole United Kingdom) to fewer than six hundred thousand—these being now almost entirely the sick, the lunatic, the helpless aged, and the orphan children. Poor-houses are being used for soldiers' hospitals. The tramps have almost entirely disappeared from the roads

and the beggars from the streets. Petty theft, which in Great Britain is largely dependent on poverty, is, among adults, at a minimum; and prisons are being converted into hostels for German captives and places of internment for civilian aliens. The quarter of a million children found hungry in the public elementary schools, for whom meals were provided in 1913-14, are now represented by fewer than one-tenth of that number. The Co-operative Societies, far from falling off in membership or trade, have usually added from ten to fifty per cent. to their membership (which now numbers three and one-quarter millions, representing at least one-third of all the households in the Kingdom) whilst the volume of their distributive business, the magnitude of their manufacturing industry, the amount of their accumulated capital, and the sum distributed as dividends have all increased beyond all previous experience. Both the Friendly Societies and the trade unions show a considerable increase in their financial accumulations; and (allowing for the millions serving the colors) even in their membership. The savings bank deposits have continued to increase, and for the first time in the history of the country, several million of the wage-earners have taken up holdings in the various forms of Government war loans to the extent of something like a hundred millions sterling, or even more.

This remarkable result, so far, of such a calamity as the present war, has, of course, not "come about of itself." It has been the outcome of the measures which have been deliberately taken by the Government and Parliament, supported generally by public opinion, and acquiesced in by the employers and the propertied classes. And this policy of deliberately maintaining unimpaired, at whatever cost of the Treasury, the standard of life of the manual working wage-earners—in consonance with the teaching of the political economists that any degradation of this standard of life is the worst injury that a nation can suffer—has undoubtedly been made possible, as an achievement of economic statesmanship, only by the industrial and political strength, and the persistent pressure, of the British labor movement.

The measures taken as the outcome of this economic statesmanship have been many and varied.

We must note, to begin with, the definite refusal to allow any use to be made, for any war need, of the demoralizing machinery of the Poor Law, which has lost all credit and

has for a decade merely been awaiting abolition in favor of up-to-date separate organizations for the appropriate treatment of the lunatic, the sick, the widows and orphans and the unemployed. What the British labor movement demanded, and what public opinion endorsed, was a policy of prevention instead of relief. Under the apprehension of widespread unemployment and distress, a new organization, entirely unconnected with the Poor Law, was set up throughout the whole Kingdom in August, 1914, in connection with the municipal and county authorities, on which the local labor organizations were officially represented; and a fund (which eventually reached over six million pounds) was raised by voluntary subscriptions to supplement the public assistance that the Government undertook to provide from moneys to be voted by Parliament. The Government adopted as its policy, as demanded by the whole labor movement, the strengthening of the labor market by the immediate undertaking by the local authorities of those public works of definite utility that might otherwise have been executed during the ensuing decade. In this way, it was calculated, the unemployment that was being caused by the stoppage of trade and the suspension of many capitalist enterprises could be very largely, not merely relieved, but actually prevented from occurring. The idea was to maintain at a fairly constant level the aggregate amount of wages paid in the Kingdom, the new public works being started, and the new public orders for commodities being given, as nearly as possible in amounts equal, in the aggregate, to the private enterprises suspended.

The deliberate adoption of this policy by the Liberal Cabinet, and its official promulgation by circulars of the Local Government Board in August, 1914, marks an epoch in the history of unemployment in the United Kingdom. Within a very few weeks, however—before the new policy of prevention could be put into force, and even before it was commonly understood—it became evident that no widespread unemployment among men was to be feared. Unemployment among women workers lasted for a few months, during which it was sought in pursuance of a like policy, not to start the old eleemosynary “relief works,” but to organize public orders, and where necessary to supply full maintenance to the women who could not immediately get employment, conditional on their attending at centers

for domestic economy and other training. For the last two years the difficulty has been to get enough workers; and the greater part of the fund subscribed is hoarded for use when peace comes.

What prevented unemployment in the latter part of the year 1914, and rendered it unnecessary to put in force the policy of expediting public works of merely eventual utility, was the same policy of deliberately maintaining the aggregate total of wages by increased Government orders. But, under the stress of war needs, it took the form, first of the enrolling of an enormous army, such as the United Kingdom had never contemplated—reaching eventually five million men, or nearly one-ninth of the whole population of all ages and both sexes—and, secondly, of the manufacture of shells, rifles, cannon, uniforms, accoutrements, and the thousand and one requirements of war, not only for the United Kingdom but also for all the Allied Governments, on which there are at present over three million persons employed. The influence of the changed opinions on economic matters, and of the strength of the organized labor movement, is seen in the remarkable series of Government decrees by which the workers' standard of life has been protected from degradation.

We had first the high rates of pay—by far the highest in Europe—and the extraordinarily liberal rations granted to the soldier; and then the separation allowances paid to his wife and family, or other dependents, on a scale hitherto unheard of, and amounting now to nearly a hundred millions sterling annually. Next we had a series of orders as to pensions for disabled men and the widows and orphans of those who die—the public insisting, upon an agitation led by the organized labor movement, on successive increases to the Government's original scale, so that the sum now payable already exceeds thirty millions a year. Then came an equally progressive series of orders securing proper wages for the millions of munition workers, not only in the Government's own establishments but also in the ten or fifteen thousand private establishments turned to war service. The rates of pay thus secured are, so far as the lower grades are concerned, still far from being satisfactory to the British labor movement; but their extortion from a reluctant Government, and their imposition on still more reluctant capitalists, has done an enormous amount to raise the standard

of life, especially among women workers. Meanwhile the Government, on the successive demands of the trade unions concerned, has, at its own expense, raised the wages of the half million railway workers by ten shillings per week, amounting to about £13,000,000 a year for this industry alone; and has awarded increases to millions of workers in private employment by orders which have the force of law—increases which are complained of as being far from sufficient, but which are, at any rate, remarkable for war time. In February, 1917, there was being ordered a legal minimum wage for all the agricultural laborers in Great Britain of twenty-five shillings per week, which is certainly fifty per cent. more than the average of three years ago. Concurrently with these increases in the income of the wage-earning families, we have had the Rent Restriction Act, which (to the financial loss of the property owners) prevents any raising of the rents of working-class dwellings above those of August, 1914; the prohibition of lapsing of industrial insurance policies of two years' standing, notwithstanding the non-payment of premiums; various measures for preventing, as far as practicable, the steadily continuing advance in the prices of commodities; and the relaxation of the rules that would have forfeited the old age pensions of persons obtaining increased receipts from work or gifts. Finally we have had an actual increase by fifty per cent. of the old age pension now drawn by the men and women over seventy—an increase long refused by the Government, persistently demanded by the whole labor movement, and finally extorted by the determination of the Miners' Federation. Meanwhile, though the taxes have been, in the aggregate, nearly trebled, the amount levied on the wage-earning class has been only moderately increased, whilst an addition of over two hundred and fifty millions a year has been made to the imposts levied on the employing and propertied classes, so that, what with excess profits tax, income tax, supertax and death duties, the richest industrial magnates often find at present (literally) three-quarters of their incomes confiscated to the service of the community.

Nothing like these things has ever before happened in the United Kingdom, either during peace or in any previous war. It is these measures, forced upon a reluctant Exchequer, owing to the way in which the British labor move-

ment has educated and led the public opinion of the country, that have so far saved the nation—to the amazement and delight of the political economists, who never expected the workmen to manifest so much power, or the Government to exhibit such true economic statesmanship—from the overwhelming calamity of a fall in the standard of life.

Even more remarkable has been the extent to which, under war pressure, the British labor movement has secured, from the propertied and employing classes and from the Government that these still mainly control, formal and official recognition as an equal partner in the State. At the outset of the war, it was immediately realized that the new official organization for the prevention and relief of distress initiated by the Prince of Wales would have to recognize the position and the claims of organized labor. In spite of the protests and the resistance of many County and Municipal Councils, which are still nearly all in the hands of the middle and upper classes, the Government insisted that the representatives of the local trade unions and other labor organizations, both of men and women, should be placed on all the local committees, and accorded full administrative power. But this was only the beginning.

With the pressure for more munitions, the Government called into being a whole series of special committees, both national and local, representing the trade unions concerned with the several munition industries—eventually embracing nearly all the principal manufacturing and transport trades—and obtained their advice and assistance with regard to each successive increase of Governmental authority. Trade union representatives, both men and women, were placed on all the munitions tribunals, which adjudicated in cases of workshop offences under the Munitions Acts. Trade union representatives were similarly placed on the military service tribunals, which gave temporary or permanent exemption from the obligatory military service. When, in 1916, an organization was formed through the kingdom for awarding pensions, increasing the separation allowances and providing treatment for the disabled, the labor organizations obtained a recognition which went beyond anything hitherto accorded. In all previous cases in which labor representatives had been placed on official bodies not formed by popular election, the representatives have been chosen by the appointing authority.

When the war pensions committees were formed, the spokesmen of the labor movement urged that the local trade unions and other labor bodies in each district should be formally and officially conceded, for all time, the right to be themselves represented; and that the bodies so recognized should be empowered to choose for themselves which of their members should sit upon the war pensions committees dealing with the distribution of over a hundred millions a year of public funds. To the stupefaction of the governing classes and the officials in town and country, who had hitherto often been unaware of the existence of such bodies, this right of direct representation of the local trade unions and other labor organizations of workingmen and women (such as the Women's Labor League, the Women's Co-operative Guild, the Women's Trade Union League and the Railway Women's Guild) was formally and officially conceded, amid general public approval.

What is more widely known is the admission of the labor movement to partnership in the administration of the State. When in 1915, the Liberal Government gave way to a Coalition Government, the Labor Party, as a whole, was formally invited to consent to take part, its chairman being offered a seat in the Cabinet and two of its prominent members being made Under-Secretaries of State. Several other leading officials of the trade union movement were given the honorary distinction of being sworn in as members of the Privy Council. Finally, when in December, 1916, Mr. Lloyd George succeeded Mr. Asquith as Prime Minister, the adhesion of the Labor Party (though it had only thirty-five members in a House of Commons of six hundred and seventy) was recognized as essential; and Mr. Lloyd George in a long private interview on the day of crisis personally solicited the co-operation of the Party—offering the Chairman a seat in the supreme War Cabinet of five members, making another Labor member Minister for Labor and a third Minister for Pensions; and appointing three more to subordinate Ministerial positions.

It will, of course, be understood that these concessions of recognition of the labor movement have gone beyond the concessions of effective power. The representatives of trade unions and other organized labor bodies, who have thus been admitted to administrative committees, called into counsel on committees formed to advise the Ministers, placed

as assessors or members on tribunals, or even admitted to the Cabinet, do not, it is to be feared, yet exercise in these capacities, as much authority as their middle or upper class colleagues. Even when labor members are placed at the head of important Government departments, they find themselves, at present, quite unusually restrained and guided by their permanent officials, and by their Ministerial colleagues. Their actual influence in administration is therefore still below that which they might, from their position, be supposed to exercise. It has, indeed, been complained by some members of the labor party that the trade unions and the Labor Members in the House of Commons do not find that their power over the Government is increased by the holding of important official positions by leading members of the Party, but rather decreased—that the latter are where they are in the capacity of hostages for the good behavior, or rather the docility of the rank and file. Time will show how far this complaint is justified. In the meantime the very extensive share in the Government now accorded to the representatives of the trade unions and other sections of the British labor movement marks an advance in status, and in influence on public opinion, from which there will be certainly no going back. Nor is the recognition of trade unionism confined to any one political party. In all probability, there will never be another Ministry in the United Kingdom, whether it calls itself Liberal or Conservative or any other designation, which does not include among its members one or more representatives of the trade union movement.

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